

**SUMTER COUNTY BOARD OF COMMISSIONERS  
EXECUTIVE SUMMARY**

**SUBJECT:** Solid Waste FY11 Budget Update (Staff recommends approval)

**REQUESTED ACTION:** Board approval

☐ Work Session (Report Only)

**DATE OF MEETING:** 5/24/2011

☒ Regular Meeting

☐ Special Meeting

**CONTRACT:** ☒ N/A

Vendor/Entity: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Termination Date: \_\_\_\_\_

Managing Division / Dept: \_\_\_\_\_

Financial Services/Public Works

**BUDGET IMPACT:** None at this time

☒ Annual

**FUNDING SOURCE:**

General Fund

☐ Capital

**EXPENDITURE ACCOUNT:**

Solid Waste Fund 104

☐ N/A

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**HISTORY/FACTS/ISSUES:**

The Board approved the reorganization of the Solid Waste Department on September 28, 2010, and the reorganization went into effect on November 20, 2010. This action transformed the department from a commercially based transfer station to a citizen's drop off area (CDA) accepting residential waste, C&D, brush, tires and recyclables.

On January 11, 2011 the Board approved a revised Solid Waste budget based on two months of data for the CDA operation and it was noted that a final revised FY11 budget was planned for May 2011 (see attached).

With six months of data (November 2010 through April 2011), there are no significant changes to the current year (FY11) budget at this time and no budget amendment is necessary. In the January 11, 2011 Executive Summary, staff noted the potential for another round of contaminated soil removal that is subsurface, as directed by DEP. The testing and monitoring plan for this has been developed and submitted to DEP for approval and implementation by the County.

Depending on the outcome of DEP-approved testing and monitoring, the likely outcomes are either minimal contamination migration with continued monitoring (low cost), or an additional \$700,000 from General Fund may be needed if DEP instructs the County to excavate and haul away the additional contaminated soil. We expect some sort of resolution this summer.

With six months of data, we have also updated the proposed budgets for FY12-16. Expected revenues from residential waste streams are not as high as anticipated, resulting in an annual General Fund subsidy of approximately \$350,000 a year instead of the \$150,000 mentioned in January.

Attached: Executive Summary for January 11, 2011

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**SUMTER COUNTY BOARD OF COMMISSIONERS  
EXECUTIVE SUMMARY**

**SUBJECT:** Solid Waste Revised FY10/11 Budget and Budget Amendment (Staff recommends approval)

**REQUESTED ACTION:** Board approval

☐ Work Session (Report Only)  
☒ Regular Meeting

**DATE OF MEETING:** 1/11/2011  
☐ Special Meeting

**CONTRACT:** ☒ N/A

Effective Date: \_\_\_\_\_

Vendor/Entity: \_\_\_\_\_

Termination Date: \_\_\_\_\_

Managing Division / Dept: \_\_\_\_\_

Financial Services and Public Works

**BUDGET IMPACT:** \$573,368

☒ Annual  
☐ Capital  
☐ N/A

**FUNDING SOURCE:**

General Fund

**EXPENDITURE ACCOUNT:**

Solid Waste Fund 104

**HISTORY/FACTS/ISSUES:**

The Board approved the reorganization of the Solid Waste Department on September 28, 2010, from a commercially based transfer station to a citizen's drop off area (CDA). This was done in recognition of the fact that the commercial in-take stream was dropping precipitously, yet the County is required to provide designated locations for waste disposal, both commercial and residential. This same action expected no additional costs in FY10/11 due to anticipated cash balances being carried forward, but with an anticipated annual subsidy of approximately \$150,000 starting in FY 11/12.

On October 26, 2010, the BOCC approved the new fee schedule that went into effect for the CDA.

An on-going activity at the Sumter County Solid Waste Facility (SCSWF) has been screening/removing soil contaminated with various plastics and other debris, left over from composting operations. In preparation for selling un-needed land at the SCSWF sooner rather than later in FY10/11, Public Works received direction to focus on hauling the soil away rather than screening. The estimated cost to haul the remaining pile of contaminated soil was just over \$200,000. In fact, since the price was based on tonnage instead of cubic yards, and the interior of the pile of contaminated soil had a much higher moisture content than expected causing the soil to be much heavier, the cost was closer to \$600,000 when hauling operations were completed on December 17, 2010.

To satisfy current hauling obligations through December 17, 2010, the Solid Waste fund needs and estimated \$202,000 from the General Fund. A recent visit by DEP revealed that we may also have to remove contaminated soil below the surrounding ground level. This could be another \$150,000 or more, depending on the depth of the contaminated soil and presumed perimeter, and classification of the material. Finally, the cost of doing business and associated income as a CDA instead of a transfer station will add another \$221,368 general fund requirement for FY10/11, for a total of \$573,368.

The attached budget spreadsheet has several columns for the Board's review and approval, or further direction. The first column is the FY10/11 Solid Waste budget approved early in 2010. The second column shows what the FY10/11 budget could have been for the CDA using the new fee schedule and cash balance forward, were there no contaminated soil removal requirement from DEP. The third column shows the recommend FY10/11 budget reflecting actual revenues to date from the new fee but including all known and estimated cost impacts from the contaminated soil. The fourth column is

proposed for FY11/12 when the contaminated soil is no longer an impact. The fifth, sixth and seventh columns reflect the revised anticipated steady state in FY12/13, 13/14 and 14/15 and the annual General Fund subsidy. Note that we expect to lose the annual Small County Grant of \$70,588 in FY14/15 when our population exceeds 100,000.

We expect that the sale of lands in FY10/11 and/or FY11/12 will generate a to be determined amount of capital that will off set some or all of the general fund needs other than the steady state subsidy, and support the 305 fund for construction of the new CDA adjacent to Animal Control in FY11/12.

It is important to understand that this revised budget is based on 2 months of data with the CDA in operation using the new fee schedule. There could be variations in both the in-take stream and cost of operations that will require further adjustment. To that end we plan to update the revised budget in May 2011.

Attached: Budget amendment and budget spreadsheets.

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